

Real Estate Owned and Other Repossessed Assets Questionnaire

	Yes	No		Yes	No
General Questionnaire			9. Does the institution maintain separate subsidiary records and files for each parcel showing items capitalized, expenses, rentals, etc.?		
1. Does the institution give proper notification to the borrower prior to foreclosure or repossession?			10. Does the institution reconcile subsidiary ledgers for the individual properties to the general ledger at least monthly?		
2. Does the institution promptly foreclose or repossess to minimize the risk of loss?			By whom? _____		
3. Does the institution hold valid title to REO?.			11. Does the institution control rental income received from REO?		
4. Does the institution review REO it acquires by deed in lieu of foreclosure for encumbrances of prior liens?			12. Do any unbonded agents collect rents and/or manage properties?		
5. Does the institution appraise real estate it acquires subsequent to its acquisition?			13. Does the board of directors periodically review the status of each REO parcel and repossessed asset?		
6. Does the institution use a current appraisal to establish the asking price of property?			How frequently? _____		
7. Are there maintenance procedures in effect to ensure that properties will retain their market value?			14. Does an officer that reports to the board of directors approve sales of REO and other repossessed assets?		
8. Are procedures in effect to ensure that the institution maintains and updates hazard insurance as necessary?					

Comments

Exam Date: _____
 Prepared By: _____
 Reviewed By: _____
 Docket #: _____